The EU-Brazil partnership on development: a lukewarm affair

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Brazil joined the club of the European Union’s (EU) strategic partners in 2007 when the two parties met for their first bilateral summit in Lisbon. The gathering was hailed as a turning point in the long-standing relations between the two partners, reflecting the Union’s acknowledgment of Brazil’s increasingly global stature. The new framing has expanded relations beyond the bilateral dimension of the European Commission’s Country Strategy Papers, highlighting the potential for collaboration in multilateral and global fora. It opened the door for jointly addressing international development issues, such as global poverty, social inclusion and development cooperation, as well as a range of related global governance issues, including multilateralism, peace and security, trade and climate change. The ambition to broaden EU-Brazil engagement was materialised in the Joint Action Plan 2012-2014, endorsed at the fifth bilateral summit in Brussels in 2011.

This paper analyses EU-Brazil engagement in international development. It looks at their interaction in multilateral forums, as well as trilateral cooperation in third-party developing countries. The analysis suggests that multilaterally the scope for engagement is limited given that much of the debate is infused by a discourse that, by juxtaposing ‘North’ versus ‘South’ and

- High-level pledges to undertake trilateral cooperation have not been implemented due to limited commitment and operational constraints.
- Brazil’s use of a North versus South discourse limits possibilities for coordination at multilateral level by placing the EU and Brazil on opposing sides.
- There are opportunities for the EU and Brazil to build alliances around specific development issues such as the fight against hunger and food insecurity.
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‘traditional’ versus ‘emerging’ players, places Brazil and the EU on opposing sides. Yet, there are opportunities to build alliances around specific thematic issues, such as the global fight against hunger. With regard to trilateral cooperation, the analysis reveals a mismatch between high-level pledges and motivations on the one hand and on-the-ground operational capacity on the other. It also shows a fading emphasis on this modality of engagement. There is still scope, nonetheless, for joint learning on trilateral cooperation. This is the case with Brazil and several EU member states. This process could inform the debate on development effectiveness among the parties and on the multilateral stage, and help move beyond the North-versus-South narrative.

The rise of Brazil in international development

Brazil as a bilateral development partner

The rise of Brazil as an international development player is a relatively recent phenomenon. It reflects both Brazil’s increasing importance in the world economy (as the seventh largest world economy in nominal GDP terms) and the result of an active diplomatic campaign, spearheaded by former President Lula da Silva. Moved by a counter-hegemonic impulse and an emphasis on South-South relations, the Lula administration was keen on matching Brazil’s influence in global governance with the country’s economic standing, as well as affirming Brasilia’s position as a regional power. Brazil’s development cooperation has been instrumental to the achievement of such goals, helping to forge new alliances across the Atlantic and gradually build muscle in international affairs. Although the objective of gaining a seat at the United Nations Security Council continues unfulfilled, the appointment of two Brazilians to head the World Trade Organisation (WTO) and the Food and Agriculture Organisation (FAO) are pay-offs of the South-South offensive.

Brazilian cooperation increased swiftly during Lula’s presidency, particularly in Africa where Brazil’s diplomatic presence doubled during this period and its partnerships spread well beyond its traditional language affinities with Portuguese speaking countries. Today, Brazil runs technical cooperation projects in 95 countries, 42 of which are in Africa.

Brazil’s ‘solidarity diplomacy’, a legacy of Lula’s South-South cooperation narrative, translates into guiding principles such as demand-driven action and no interference in partner country’s affairs. Brazilian cooperation also claims to have no commercial interests attached and be solely based on solidarity, although the argument is undermined by the ‘mutual benefit’ discourse that is gaining ground. In 2013, President Dilma Rousseff announced the creation of a new agency for international cooperation, trade and investment, to replace the Brazilian Cooperation Agency (ABC) that is part of the Ministry of Foreign Affairs. The policy scope of the new agency confirms the increasingly dominant business motivations informing partnerships with developing countries, although questions remain as to how this new agency would fit into the current institutional set-up. In the meantime, cooperation modalities are gradually adapting to a more commercially-minded focus – for example, the More Food International Programme is
using a new concessional lending window to export Brazil-made tractors and other agricultural machinery and equipment to Africa.\textsuperscript{7}

Brazilian authorities define the country’s cooperation as comprising technical cooperation, educational cooperation (or scholarships), scientific and technological cooperation, humanitarian cooperation, refugee protection, peace operations and contributions to international and regional multilateral organisations.\textsuperscript{8} Debt relief and concessional lending are not yet considered part of development cooperation. However, these go hand in hand with bilateral technical cooperation initiatives. The same applies for growing investment lending by the Brazilian National Development Bank (BNDES).

Despite representing a small proportion of Brazil’s official cooperation (6 per cent of an overall amount of US$ 923 million in 2010),\textsuperscript{9} technical cooperation has gained considerable visibility in recent years. It is less about the volume of resources invested and more about Brazil’s distinctive practice of it. The fact that the latter draws on Brazil’s own public policy experiences, technology and know-how is seen as an added value of Brazilian cooperation.\textsuperscript{10} This adds to Brazil’s claim of affinity with technical support recipients, which is particularly strong in terms of cooperation in the agriculture and health sectors in tropical countries that share similar agro-ecological and epidemiological conditions.

**Brazil’s engagement in multilateral and minilateral fora**

Brazil’s sizeable contributions to multilateral development organisations, which in 2010 accounted for two thirds of the country’s total official development cooperation,\textsuperscript{11} reflect its long-standing commitment to multilateralism.\textsuperscript{12} Yet, Brazil’s influence in international fora remains limited. Its priorities in relation to multilateralism, including reforming the governance structures of leading multilateral organisations and strengthening the role of the UN in global affairs, remain largely unmet. However, Brazil has assumed a lead role in building an alliance among developing countries to counter the perceived dominance of the United States and Europe and promote a more multipolar order, without compromising the ambition to build a stronger multilateral system. This is reflected in the establishment in 2003 of the G-20 of developing countries\textsuperscript{13} in the context of the WTO.\textsuperscript{14} Brazil also plays a central role in other counter-hegemonic ‘minilateral’ alliances established in recent years, such as IBSA (India, Brazil and South Africa), BASIC (Brazil, South Africa, India and China), and BRICS (Brazil, Russia, India, China and South Africa). International development issues are relatively low in the agendas of these groupings, which in practice focus more on pursuing the individual or collective geostrategic interests of their members. However some initiatives, such as the envisaged creation of the BRICS development bank, may have an impact on the global development system and Brazil’s own engagement in international development.

There are two areas in particular where Brazil has the potential to influence the international development agenda in general and specific processes, such as the negotiation of the post-2015 UN development framework. These are the global fight against hunger and food insecurity, and environmental sustainability.

Brazil is a player in ascendency in the global fight against hunger. The election of José
Graziano as FAO Director-General has placed Brazil at the centre of the international fight against hunger, with Brazilian public policies (for example, Fome Zero or the Food Acquisition Programme) and discourse (the idea of family farming, for instance) being increasingly portrayed as sources of inspiration for global action. This is complemented by high-profile actions of the Lula Institute, particularly in Africa, with former President Lula as the Brazilian ambassador for the hunger cause, and a more active Brazilian diplomacy at large.

Regarding the environmental sustainability agenda, Brazil is pursuing a multipronged strategy, which includes playing a leadership role in multilateral processes (for example it hosted the 2012 UN Conference on Sustainable Development, or Rio+20), working through South-South alliances, and strengthening relations with developed nations. Together with Southern allies, particularly within BASIC, Brazil has been pushing for a ‘common but differentiated responsibilities’ perspective with regards to climate change, an approach that is echoing across the post-2015 debate. However, Brazil has also sided with the United States and the EU on issues such as renewable energy sources and biofuels. It is debatable whether these moves are part of an ‘environmental multilateralism’ strategy, or whether they are simply a set of uncoordinated actions in response to different Brazilian interests (including business interests).

**Trilateral cooperation**

While ‘South-South’ coalitions have been strengthened via bilateral and minilateral channels, alliances with member countries of the Organisation for Economic Cooperation and Development (OECD) – particularly Japan, Germany and the United States – and established international organisations (particularly UN agencies) have not been disregarded, as suggested by Brazil’s engagement with trilateral cooperation arrangements. Trilateral cooperation entails a partnership with another bilateral ‘donor’ country or multilateral development agency in a (third-party) developing country. In addition to expanding the scale of and strengthening Brazilian cooperation, trilateral cooperation potentially helps Brazil to secure access to developed countries’ technological innovation and expertise, as well as to justify the continued presence of their development cooperation programmes in Brazil (from where trilateral cooperation with Brazil in third countries is managed), which has now become an upper middle-income country and a provider of development assistance.

As for Brazil’s bilateral cooperation, despite its ambitions it is likely to remain limited in scope, particularly in light of current budgetary constraints. The continued rise of Brazil in the international development arena is therefore contingent on cooperation with other donors. However, even in this context, it is questionable whether a closer partnership with the EU would be either attractive – beyond high-level display – or operationally feasible for Brazil.

**BRAZIL-EU ENGAGEMENT IN INTERNATIONAL DEVELOPMENT**

The EU and Brazil interact on international development issues through joint development cooperation initiatives in third
EU-Brazil trilateral cooperation in third countries

Trilateral cooperation featured prominently in the Joint Action Plan 2012-2014, which, in line with the broad vision set out in 2007, presented it as ‘one of the major areas for the Strategic Partnership’ and ‘a modality to complement the existing bilateral initiatives, as well as leverage knowledge, coherence and additional financial resources for the benefit of developing countries’.24

EU-Brazil engagement in trilateral cooperation had been foreseen from the outset of the strategic partnership. It was then envisaged that the European Commission would explore triangular cooperation with Brazil and the Community of Portuguese Speaking Countries in areas such as energy.25 The idea gained momentum in 2009, when a group of development agencies gathered in Brasilia to discuss the potential of this modality of cooperation in an event hosted by the German Cooperation Ministry, the EC Delegation and the Brazilian Cooperation Agency.26 At the fourth Brazil-EU summit in 2010 progress was achieved, with the adoption of a Joint Work Programme on triangular cooperation and an initiative focused on the sustainable development of bio-energy in ‘interested African countries’.27 A Partnership for the Sustainable Development of Bioenergy in Mozambique was also agreed between Brazilian President Lula and Commission President Barroso at the 2010 summit. It envisaged the elaboration of a feasibility study looking at sustainable bio-energy production and the mobilisation of funding to carry out bio-energy projects.28 However, the initiative attracted much criticism. International advocacy movements warned about the social and environmental costs of biofuel investments29 and there was concern about the existence of Brazilian private interests behind the cooperation programme. On the EU’s side, there was scepticism about the gap between high-level diplomacy and country-level operational instruments.30 Ultimately, the EU delegation in Maputo played a relatively minor part in the process, responding to a request for comments on the study’s design. Since the completion of the feasibility study, no progress has been reported.

Brasilia and Brussels have continued to express interest in trilateral cooperation. In their fifth summit in 2011 and subsequent gatherings, both parties reiterated their commitment to this approach and to identifying new potential areas for such cooperation.31 However, so far no further concrete activities have been announced.

Cooperation on bio-energy remains an option, after both parties expressed the intention to expand joint initiatives in energy efficiency and the sustainable production of biofuels at the sixth summit in 2013.32 It remains to be seen whether the next EU-Brazil Joint Action Plan 2015-2017, announced in Brussels in February 2014, will shed light on the future of EU-Brazil trilateral cooperation.

The debate is infused by a discourse that, by juxtaposing ‘North’ versus ‘South’ and ‘traditional’ versus ‘emerging’ players, places Brazil and the EU on opposing sides
The lack of progress in EU-Brazil trilateral cooperation reflects both an ambiguous commitment and tangible operational constraints, noticeable in both sides. The relative priority given to development issues within the EU-Brazil partnership at the highest diplomatic level contrasts with scepticism at operational level. On the EU’s side, there is certain scepticism of Brazil’s position as an international development player and doubts as to whether its self-proclaimed Southern alternative can in fact offer a substantial alternative to established cooperation practices. As for Brazil, it is sceptical about the level of EU interest in trilateral cooperation. Yet, Brazil too remains vague about its stance on trilateral cooperation, as this modality does not easily fit with the importance of bilateral cooperation as an instrument of Brazil’s foreign policy or its emphasis on South-South discourse and affinities.

In terms of operational constraints, ABC has limited operational capacity, particularly outside Brazil where it has no representation and operates via diplomatic channels. On the EU’s side, Brussels has not provided concrete guidance on how EU Delegations should interact with Brazil on trilateral cooperation matters, either in Brasilia or in third countries. This gap became apparent in the Mozambique case in relation to the challenge of reconciling Brazil’s seemingly commercial thrust with the EU’s development cooperation mandate.

The rigidness of the EU’s programming system is also difficult to reconcile with Brazil’s policy of demand-driven cooperation and non-interference. For example, when the two parties began to discuss potential areas of collaboration, Brazilian officials report that these had to match those already pre-defined in the Commission’s Country Strategy Paper. The effective involvement of third (supposedly beneficiary) countries has also been limited.

While EU-Brazil trilateral cooperation stalls, other actors are making inroads with this form of cooperation with the South America giant. Japan and the International Labour Organisation (ILO) are Brazil’s main triangular cooperation partners and some EU member states such as France, Germany, Italy, Spain and the UK have ongoing trilateral cooperation projects across a range of issues with Brazil.

EU-Brazil engagement in global and multilateral development agendas

The Joint Action Plan 2012-2014 indicated areas of convergence between the two strategic partners in the context of global and multilateral processes. These included a common commitment to reforming the multilateral system and strengthening the UN, strengthening cooperation on climate change and environmental sustainability, and coordination on the post-Busan partnership for development effectiveness.

Yet again, implementation has fallen short of these high-level pledges. On climate change, the Action Plan subscribed to the principle of ‘common but differentiated responsibilities and respective capabilities’, a proposition firmly supported by Brazil. The EU, however, has reportedly lobbied for the exclusion of this principle from the Rio+20 outcome document. The principle is absent from subsequent EU-Brazil summit statements. Meanwhile, there is heated debate on whether this principle should be
included in the post-2015 agenda, with a ‘North-South’ divide beginning to surface. Recently, an EU representative, speaking at the UN meeting of the Open Working Group on Sustainable Development Goals, expressed that: ‘[t]he EU recognises the principle of common but differentiated responsibilities and respective capabilities. However, it stresses that responsibilities and capabilities are differentiated but evolve over time and that the agreement should reflect those evolving realities by including a spectrum of commitments in a dynamic way’.39

On the issue of coordination around the global partnership for development effectiveness, it is unclear how the EU and Brazil could collaborate. Brazil remains, at best, a reluctant member of the post-Busan club and still emphasises South-South distinctiveness (relative to North-South) rather than convergence or coordination.40 Plus, Brazil’s choice of export-credits as a development cooperation modality will raise questions about fair competition in Brussels and among OECD members in Paris.

LOOKING AHEAD

The EU-Brazil strategic partnership in terms of international development has been, at best, a lukewarm affair. The same applies to the economic and financial aspects of this strategic partnership.41 The praising of the achievements of Brazil-EU trilateral cooperation and the support expressed for Brazil’s South-South development cooperation model in the sixth summit’s joint statement42 contrast with modest results and scepticism on the ground. The statement’s wording on trilateral cooperation is undoubtedly more restrained than before and no reference was made to new concrete projects. Instead, it highlighted the EU-Brazil partnership on development at global level, with the post-2015 framework and the Global Partnership for Effective Development Cooperation at the top of the agenda. However, it is debatable whether these policy spaces can offer any concrete opportunities for consolidating the EU-Brazil strategic partnership, as the two partners represent essentially different positions in the contested global development debate.

Looking ahead, the global fight against hunger, food insecurity and malnutrition seem to offer the most scope for synergies. The EU is a leading food donor and it is the largest single source of voluntary funding to FAO. Meanwhile, Brazil’s influence on food and nutrition matters is growing and the country has the potential to exercise a reformist pressure on the global food aid system. With Graziano at the top of FAO, the moment seems ripe to explore the potential for EU-Brazil dialogue on this pressing development issue. Furthermore, at a time when the UN Secretary-General, Ban Ki-Moon, has made Zero Hunger a leading development priority, the question can also be used to leverage EU and Brazilian commitment to multilateralism and a UN-centred agenda.

With regard to trilateral cooperation, a recent attempt to reinvigorate joint cooperation seems to be under way. The EU’s suggestion to discuss new opportunities for triangular cooperation at the early stages of preparation of its new planning cycle (Country Strategy Papers 2014-2020), rather than after the agenda has been set, has been welcomed by Brazil. However, it is unlikely that beneficiary countries will be involved from the outset.
Even if the prospect of significant EU-Brazil cooperation on development remains unfulfilled, cooperation between Brazil and some EU member states in the area provide a basis for further engagement between Brasilia and Brussels. This would greatly contribute to the Global Partnership on Development Effectiveness process, not only to showcase the potential of working with Brazil on international development, but also with a view to overcoming the discursive divide between North-South and South-South cooperation.

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ENDNOTES

5 MRE, ‘A África na Agenda Econômica do Brasil: Comércio e Investimentos’, presentation by Minister Nedilson Jorge, Director of the African Department at the Ministry of Foreign Affairs, at the seminar ‘África e a Agenda Econômica do Brasil’, organised by CINDES and CEBRI, Rio de Janeiro, 22 November 2011.
9 Ibid.
11 IPEA 2013, op. cit.
13 The G-20 of developing nations (distinct from the G-20 of major economies) was established on 20 August 2003 in the run up to the 5th Ministerial WTO conference, held in Cancún, Mexico, from 10 September to 14 September 2003. The group has had fluctuating membership.
15 A family-labour based agricultural production system that Brazil institutionalised by law in 2006.
16 See, for example, the message from the FAO Director-General on the 2014 International Year of Family Farming, available at: http://www.fao.org/family-farming-2014/en/
17 Brazilian diplomacy, through CG Fome (the Ministry of External Affairs’s General Coordination Office for International Action Against Hunger created in 2003), is becoming an active voice in international fora, supporting an heterodox ‘double-traction’ humanitarian cooperation strategy. Such approach calls for greater integration between emergency assistance (such as food aid) and development cooperation, anchored on the idea of building resilience and promoting sustainability of humanitarian interventions. See P. Brasil, ‘O Brasil e a insegurança alimentar global: forças sociais e política externa (2003-2010)’, Masters Dissertation in International Relations, University of Brasília, 2013, available at: http://repositorio.unb.br/bitstream/10482/13878/1/2013_PilarFigueiredoBrasil.pdf
20 Visentini and da Silva 2010, op. cit.
21 de Abreu 2013, op. cit.
24 EU Council 2011, op. cit.
27 Ibid.
30 For example, the Mozambique Country Strategy Paper had not envisaged the initiative. Interview with EU official, 2014.
31 Across issues as diverse as: human rights promotion, peacekeeping operations, post-conflict stabilisation, drug control, supporting the achievement of the Millennium Development Goals, monitoring of electoral processes, fighting diseases such as HIV/AIDS, supporting innovation in small-scale and family farming systems, supporting the sustainable development of the Amazon Region and the sustainable production of bio-energy.
33 Interview with Brazilian Cooperation Agency official, November 2013.
34 de Abreu 2013, op. cit.
36 EU Council 2011, op. cit.
38 Developing countries, represented by the G-77 and China, have argued that the principle should guide the translation of each Sustainable Development Goal into more specific targets and respective commitments. See Muchhala 2014, op. cit.
40 Federative Republic of Brazil, ‘Statement by Mr. Antonio de Aguiar Patriota Permanent Representative’, High-level Committee on South-South Cooperation, 18th Session, New York, 19 May 2014.
42 EU Council 2014, op. cit.